



Neuilly-sur-Seine, 18 March 2019

## Resilient NAV in a volatile environment

FFP's Board of Directors, chaired by Robert Peugeot, met on 15 March 2019 and approved the 2018 financial statements.

### NAV per share: €150.3, down 2.6%

At 31 December 2018, net asset value per share was €150.3 as opposed to €154.4 at 31 December 2017, representing a year-on-year decrease of 2.6%, resulting mainly from the decline in financial markets at the end of 2018. Against the volatile background, Peugeot SA and Safran's share prices rose while performance among other listed investments was more mixed. Unlisted assets rose in value in 2018, particularly recent co-investments and the portfolio of private equity fund investments.

€ m		2018	2017
Gross Asset Value		4,317	4,335
- of which Peugeot SA		1,572	1,430
Net Asset Value	NAV	3,746	3,871
	NAV per share	€150.3	€154.4
Dividends received (by FFP and its wholly owned subsidiaries)		83	77
Consolidated net profit attributable to equity holders of the parent		115	222

### Consolidated net profit affected by changes in accounting standards

Consolidated net profit attributable to equity holders of the parent amounted to €115 million in 2018, as opposed to €222 million reported in 2017.

The variation was mainly due to the change in accounting standards in 2018, with IFRS 9 replacing IAS 39: since capital gains realised on holdings are no longer recognised in profit and loss but in equity, the 2018 profit figure does not include the €240 million of capital gains realised on the sale of Zodiac Aerospace and ORPEA shares. In 2017, earnings included €147 million of capital gains on disposals of Sanef, Ipsos and Onet shares.

Dividends from equity investments rose to €83 million in 2018 as opposed to €77 million in 2017.

## Highlights

### Holdings

On 27 February 2018, FFP tendered all of its **Zodiac Aerospace** ([www.zodiacaerospace.com](http://www.zodiacaerospace.com)) shares to the public exchange offer initiated by **Safran** ([www.safrangroup.com](http://www.safrangroup.com)). As a result, FFP received 2,832,492 Safran shares, which are non-transferable for three years, along with €141 million in cash. It also reinvested €31 million in Safran ordinary shares.

F&P SAS, a joint venture between FFP and Fonds Stratégique de Participations (FSP) acting in concert with respect to Safran, is a director of the firm. It is represented on Safran's Board of Directors by its Chairman, Robert Peugeot.

In July 2018, FFP sold a 0.85% stake in **ORPEA** ([www.orpea.com](http://www.orpea.com)) at €116 per share, making a total of €63.8 million. Having become a shareholder in ORPEA in 2011, FFP achieved a multiple of 4x on the disposal. FFP still holds a 5% stake and a seat on ORPEA's board.

### Co-investments

In June 2018, FFP invested an additional \$130 million alongside **JAB Holding** ([www.jabholco.com](http://www.jabholco.com)) to continue supporting the group's expansion strategy in the beverages sector following its acquisition of Dr Pepper Snapple Group. FFP therefore has exposure to the new Keurig Dr Pepper (KDP) entity, but also to Jacobs Douwe Egberts, the world's largest roast coffee producer with \$6 billion of revenue and a brand portfolio including Jacobs, Douwe Egberts, l'Or and Café Grand-Mère. JAB Holding acquired the Prêt à Manger café chain, adding it to its fast food division alongside Panera Bread, Caribou Coffee and Espresso House.

FFP also invested \$10 million alongside IDI Emerging Markets in **Big Bottling Company**, which bottles and sells the BIG and Volt non-alcoholic carbonated drinks in Nigeria.

In October 2018, FFP increased its exposure to the healthcare industry by joining forces with **ArchiMed** ([www.archimed-group.eu](http://www.archimed-group.eu)). FFP committed to invest €80 million in the **MED Platform 1** fund, for a target fund size of €800 million, with the potential to double its exposure by co-investing in selected companies. This fund, managed by healthcare and investment professionals, aims to accelerate the growth of European healthcare companies.

Finally, FFP invested €20 million alongside PAI Partners in **Asmodee** ([www.asmodee.com](http://www.asmodee.com)), the world number three in board games and collectable cards.

### Private equity

FFP continued its private equity strategy, committing for 9 new funds for a total of €122 million. FFP notably forged new relationships with five private equity firms. In the USA, FFP made a total commitment of \$45 million to the **Webster Capital IV**, **Quad V** and **K4** funds. In Europe, FFP made a €15 million commitment to the **FAPI III** fund and a €12 million commitment to the **Astorg VII** fund.

FFP continued its partnerships with four other private equity firms, making total commitments of €58 million to their successor funds, i.e. growth capital funds **Keensight V** and **Warburg Pincus Global Growth**, venture capital fund **Idinvest Digital III** and French impact fund **Alter Equity II**.

### Real estate

FFP continued to develop its real-estate investments. It invested an additional \$37 million in six residential and commercial real-estate projects in Washington, Atlanta, Charleston, Savannah and Fairfield with **ELV** ([www.elvassoc.com](http://www.elvassoc.com)), a residential and commercial real-estate developer. The first disposal, completed in Atlanta for \$5 million, produced an annualised return of 22%.

FFP also invested €15 million in French real-estate fund **White Stone VII**, managed by LBO France.

## FFP shares

In December 2018, FFP cancelled 150,000 of its own shares held in treasury, representing 0.60% of its share capital. FFP's share capital now consists of 24,922,589 shares.

## Debt

At 31 December 2018, FFP's debt amounted to €571 million as opposed to €464 million at 31 December 2017. Unused credit facilities amounted to €415 million at the end of 2018.

## Post-balance sheet events

In February 2019, FFP sold its stake in **DKSH**, a leading swiss provider of market expansion services focused on Southeast Asian markets, for a total of CHF212 million. FFP's investment in DKSH dated from 2008 and the sale produced a total investment multiple of 4.3x and an average annual return (IRR) of 24%.

Since the start of the year, FFP has also made commitments to two real-estate funds, i.e. **TREO** managed by Tikehau Capital, and **Icawood**, which specialises in low-carbon real-estate development.

## Dividend

In the next AGM, the Board will propose an ordinary dividend of €2.15 per share, an increase of 7,5%.

Commenting on these results, Robert Peugeot said: *“Although market conditions were tougher this year, FFP once again showed the quality and resilience of its assets, which outperformed stockmarket indexes.*

*We continued to strengthen internally, and the FFP team now consists of 27 professionals in Paris and London who help to originate, execute and monitor our transactions.*

*PSA's earnings hit an all-time high, driven by the excellent performance of Peugeot Citroën DS and the ongoing effective integration of Opel/Vauxhall into the group.*

*We supported Safran's takeover of Zodiac Aerospace, in which we had been a shareholder for 12 years. We are confident that the combination of those two companies, creating one of the world leaders in aerospace equipment, is already paying off.*

*In 2018, we also maintained our sector and geographical diversification strategy through co-investments, commitments to private equity funds and real-estate projects. We strengthened our partnership with JAB Holding by making significant further investments in its funds.*

*At the start of this year, we sold our stake in DKSH, after 11 years accompanying this family-controlled Swiss company whose business is focused on Southeast Asia. Over that period, our investment created €280 million of value for our shareholders.*

*We are maintaining our policy of managing debt in a reasonable way, and we still have substantial investment capacity to capture new opportunities.*

*Although the macroeconomic environment remains uncertain, I am happy to see the rerating of our listed investments since the beginning of the year.”*

## Net Asset Value at 31 December 2018

In €m	*	% hold	Valuation	% Gross Asset value
<b>Peugeot SA (A)</b>		<b>9.3%</b>	<b>1,572</b>	<b>36%</b>
Lisi	a)	5.1%	56	1%
CID (Lisi)	b)	25.3%	157	4%
SEB S.A.	a)	5.0%	284	7%
Safran	a)	0.7%	338	8%
Orpéa	a)	5.0%	291	7%
CIEL group	a)	7.5%	19	0%
DKSH	a)	5.9%	230	5%
Tikehau Capital	a)	3.0%	61	1%
SPIE	a)	5.5%	99	2%
Non listed holdings	c)		110	3%
<b>Holdings (i)</b>			<b>1,646</b>	<b>38%</b>
Private Equity funds	d)		247	6%
IDI	a)	10.1%	29	1%
<b>Private equity vehicles (ii)</b>			<b>275</b>	<b>6%</b>
<b>Co-investments (iii)</b>	c/d)		<b>598</b>	<b>14%</b>
Immobilière Dassault	a)	19.8%	69	2%
FFP-Les Grésillons	e)	100.0%	19	0%
Other Real Estate	c)		94	2%
<b>Real Estate (iv)</b>			<b>181</b>	<b>4%</b>
Other financial assets	a; g)		35	1%
Cash			10	0%
<b>Other Assets (v)</b>			<b>45</b>	<b>1%</b>
<b>Investment Gross Asset Value (i)+(ii)+(iii)+(iv)+(v) = (B)</b>			<b>2,745</b>	<b>64%</b>
<b>Gross Asset Value = (A) + (B)</b>			<b>4,317</b>	<b>100%</b>
<b>Debt (C)</b>			<b>571</b>	
<b>Net Asset Value = (A) + (B) - (C)</b>			<b>3,746</b>	
<b>i.e. per share</b>			<b>150.3 €</b>	

\* Letters refer to valuation methods. Details on [www.groupe-ffp.fr](http://www.groupe-ffp.fr)

### About FFP:

FFP is an investment company listed on Euronext, majority-owned by Etablissements Peugeot Frères and led by Robert Peugeot. FFP is one of the leading shareholders in Peugeot SA and pursues a policy of establishing minority shareholdings and long-term investments. FFP holds interests in listed companies (such as SEB, Safran, ORPEA, LISI and SPIE), non-listed companies (such as Tikehau Capital Advisors and Total-Eren), co-investments (such as IHS and JAB Holdings) and private equity funds.

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